World Chronicle

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"GLOBAL ONLINE HELP FOR PUBLIC ADMINISTRATION"

UNPAN, the United Nations Online Network of Regional Institutions for Capacity Building in Public Administration and Finance, is a global online information and knowledge network that promotes cooperation among countries worldwide with an emphasis on South-South cooperation. It encourages the development of sound public policies, innovative management, effective public administration and efficient civil services, by creating, managing and sharing knowledge, experiences and best practices throughout the world. In this edition of **World Chronicle**, Guido Bertucci, Director of the Division for Public Economics and Public Administration at the United Nations Department of Economic and Social Affairs, talks about increasing the efficiency in public services, especially in developing countries.

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ANNOUNCER: From United Nations Headquarters in New York, this is **World Chronicle**, an unedited interview programme about major global issues.

Here now to introduce our guest is the host of today's **World Chronicle**.

LITTLEJOHNS: I'm Michael Littlejohns, and this is **World Chronicle**. How best can we improve the services of public administrators and civil servants in developing countries? How can we tackle corruption and increase efficiency in public administration worldwide? UNPAN, the United Nations Online Network of Regional Institutions for Capacity Building in Public Administration and Finance, is a virtual network that supports the development of efficient and effective public administrations systems and competent civil services, especially in developing countries and countries with economies in transition. Our guest today is an expert on the subject of the work of civil servants. He is Guido Bertucci, Director of the Division for Public Economics and Public Administration at the United Nations Department of Economic and Social Affairs. Joining me to talk to Mr. Bertucci are Thalif Deen of *InterPress Service* and John Metzler of *USA Radio Network*. Mr. Bertucci, welcome to **World Chronicle.** Mr. Bertucci, your office has produced this report, 'World Public Sector Report: Globalisation and the State'. Now everybody seems to be talking these days about globalisation. Tell us what this is about.

BERTUCCI: Well since everybody is talking about globalisation, we try to have a look on how globalisation affects the functioning of the state, the functioning of public institution, the functioning of public administration. And we came out with some interesting findings. First of all, there are certain natural reaction to the phenomena of globalisation even at the level of government and then there are what...

LITTLEJOHNS: You mean a negative reaction?

BERTUCCI: Well, knee-jerk reaction, put it this way, you know. And then we went to the next step and we said what should be the most appropriate reaction to the phenomena of globalisation, so that the state and their public administration is able to harness the beneficial forces of globalisation and minimize the negative forces. So first of all we have concluded that although many people say globalisation means opening of barriers, liberalisation, therefore the government has to disappear. Our finding is the contrary, the opposite. In order to harness the force of globalisation and allow the private enterprise to thrive and to develop, we need a government which is active, pro-active in terms of regulation of

guidance and, if necessary, redistribution of wealth, which may be unbalanced because of the effects of globalisation.

LITTLEJOHNS: So, you are saying you favour more government control? If so, I mean, don't corporate entities react negatively to that?

BERTUCCI: More than more government control, we believe more government overall guidance. For example, regulatory, the setting of regulatory frame work, rules, regulations for a fair playing field, for an orderly conduct of business. If this is not in existence, the only entity, which should provide this, a regular framework is government. It doesn't mean interference, it means actually promoting the business by providing clear and fair and transparent rules, so this is first. Second, many times, obviously, when, because of the rules of the market, certain effects on the social fabric take place. For example, we have unemployment, we have certain pockets of poverty and this is when government should interfere to intervene to minimize these areas, these negative effects. So not intervention in the sense of not in a terms of control, but in terms of overall guidance.

LITTLEJOHNS: How do you account for the opposition of so many non-governmental organizations and groups toward globalisation? They all seem to be scared to death of globalisation.

BERTUCCI: Because they look at globalisation as an unharnessed force, which is somehow taking over the ability of countries to regulate their national activity within their national boundaries. But if governments are capable of somehow regulating these activities, obviously the globalisation could have beneficial effect. Actually, the problem of many countries is that globalisation has not even touched them. They are completely marginalized; they are outside the potential benefits of globalisation.

LITTLEJOHNS: You mean because government aren't doing enough?

BERTUCCI: Because government aren't doing enough, because there is not enough incentive in terms of regulation, in terms of enabling the environment for the private sector to invest.

DEEN: One of your objectives I presume is to streamline the administrative structure in developing countries. In most developing countries they have what is called a bloated bureaucracy. It is a massive bureaucracy, hundred and thousands of people working in these government offices...

LITTLEJOHNS: I thought that is what they say about the UN?

DEEN: UN too, you are right (laughter). But the IMF and the World Bank, I think one of the conditions they laid down is to eliminate this bureaucracy. How does this fit into your objective?

BERTUCCI: Well, our philosophy is to streamline without reducing the influence of the bureaucracy, because obviously you can reduce the cost of bureaucracy, you can make it more efficient to produce more with less cost, but you cannot eliminate certain roles. You cannot destroy completely the presence of the bureaucracy in certain areas. Because for example, in order to conduct business, you need guidelines, you need permit to be issued, you need arbitration when there is a dispute, etc. If these mechanisms don't exist, the private sector will not even come to the country. So it means the private sector would see with favour the existence of this type of bureaucracy. What they don't see with favour is a bureaucracy, which stone walls, which create delays, which is a cumbersome, etc. So there is a difference in terms of the way the bureaucracy operates.

DEEN: So when you computerize the system, is there a certain amount of unemployment resulting from that?

BERTUCCI: Obviously, naturally there is. But obviously the hope would be that then with the increase of economic activity, some of the people who are let go by the public sector will find employment in the private sector.

METZLER: Now mind you UNPAN is doing this in a very unique way. Putting this information on the Internet. Now at the end of the day isn't this something where governments around the world already have the information or must they come to you or really what are you offering that they don't already know about?

BERTUCCI: Well we have, certain government, we are I would say, in the avant-garde, ahead in this process namely of computerizing their information in utilizing primarily the Internet as a vehicle to conduct government business. Some other governments are developing at the developing stage in this process. So our goal is to bring those advanced experiences to the attention of those governments, which are developing those systems so that they don't have to incur necessarily major development costs and so they have almost like a ready product. To give you an example, the government of Mexico has introduced an on-line system for tendering, for purchasing, which is called 'Compranet'. So the 'Compranet' is a very

transparent way of conducting business in terms of public procurement, so we have made this information available to other governments so these governments can then directly contact the Mexican government and obtain the information on how to introduce this particular system.

METZLER: So Mr. Bertucci, you are saying you are really the go between then, you are posting the Mexican government's information on your website, others access that, and then what about questions? If somebody asks for question about it, your staff takes care of that answer or the Mexican government takes responsibility for this?

BERTUCCI: We have both options because we have a feature in this network, which is called advisory services online where public officials or interested party can ask question on our own staff and our own staff is available to reply. If the question requires then the direct response on the part of those entities, which have designed the product, then we will refer to the original developer of the system.

METZLER: So it is interactive?

BERTUCCI: It is interactive.

LITTLEJOHNS: Picking up on Thalif's question about people working in the public sector, do you have any estimate of the number of bureaucrats who are in the world?

BERTUCCI: Not yet, but we are coming to that. Actually in this report, this year we have looked at the total expenditure per country and actually, in relation to globalisation, we found out that the countries, which are more active in the globalised world, namely European countries and the United States, Australia, New Zealand, etc. are those who have higher public expenditures. It means that they have a structure there of public service which somehow enables the process of globalisation to go through. And next year we hope we are going to try to get into the issue of how many public servants there are in each country. It is very difficult because you have to define our central government only, local government; is the army and the police part of the public service or not? So we are in the process, but it is a very difficult task, I can tell you.

LITTLEJOHNS: You said that guys who lose their jobs in the public sector will be able to pick up employment in the private sector but that is all very well in expanding economies, but in the current state of the world economy perhaps it is not going to be that easy?

BERTUCCI: It definitely going to be quite difficult. There is at the moment, there is a delay, at least we hope that there is a delayed reaction in a sense that the reduction of

cost in the public sector if accompanied, and I underline to reply to your question more specifically, if it is accompanied with an improvement in the efficiency of the administration – because it is not just a question of reducing for the sake of reducing the cost, you have to reduce by introducing new systems which are more efficient, more effective, training the staff so they can perform better. If this is the case, and it is accompanied with a very thorough activity on the part of the government to create and enable environmental private sector to operate, then it should produce, not immediately, maybe in a year, or two years; so there is a hiatus there, which could be very dangerous and also...

DEEN: Michael referred to the UN bureaucracy, which has been heavily criticized inside the UN or outside the UN. Is there anything that you are doing in-house in terms of the UN bureaucracy?

BERTUCCI: Well, not much because obviously we are part, we cannot be jury and judge of the same time. But, just to give an example, we had developed in the past some modules, some training modules relating to the new management culture namely the management, which is aimed at results rather than processes. And we had done this also for UN staff in cooperation with the UN administration. One other area, which we hope we embark in, is the era of ethics, because we have developed for example for, and it is now online, modules, training modules concerning ethical behaviour of public servants. For example with case studies of custom officials, which put us in a difficult situation to get a bribe, etc. So we are now discussing how we can do something similar for the UN staff.

DEEN: And also when you talk about the private sector, your focus is on the public sector, but these are times when the public sector is shrinking. The IMF and the World Bank is calling for the privatisation. How does that fit into your set up?

BERTUCCI: Well, obviously our philosophy is that the public sector should concentrate on what it can do best. First of all as I mentioned already before, but again want to stress it, to create the enabling environment for the private sector to operate, to create conditions, which attract economic activity; second to provide obviously security for the citizens and third; to even up the plain field, to eliminate inequalities, to provide necessary infrastructure in necessary basic services, which are essential.

DEEN: Like utilities, right?

BERTUCCI: Not necessarily utilities. Utilities can be provided also by the private sector but at least the policy concerning the utilities, the policy, absolutely, the public sector cannot abdicate its responsibility to provide policy concerning electricity, water, transportation, etc. Then the service can be provided then by the private sector. Education, health, these are basic services which are important for the welfare of the citizen, but also very important for the economic activities. If you have an educated work force, if you a healthy well force, obviously the economy will be better off. It is very important here to differentiate between policy setting and naturally implementation. In the health sector, the government doesn't have to actually to run hospitals. I mean obviously they have various options. Countries depending on their own preferences, they will choose over nationalized service or privatised service, but I think there is a responsibility of the public sector to set the rules of the games, to set the overall policies, the overall health objectives, the same thing in terms of education.

LITTLEJOHNS: This is **World Chronicle.** Our guest is Guido Bertucci, Director of the Division for Public Economics and Public Administration at the United Nations Department of Economic and Social Affairs.

METZLER: Mr. Bertucci, viewing UNPAN's mandate, doesn't this in a way parallel many of the famous UN conferences, the ubiquitous UN conferences that we hear about? You are putting the information on line. Is there, one can simply go to the web, access and there you go, rather than having to take people half way around the world to discover the same thing? So maybe that's efficiency.

BERTUCCI: Well, we hope that this is an example of how to work, and actually one of the main features of the UNPAN, and I just want to summarize them again, is the provision of data and information, the provision of advisory services online, the provision of training online, and one other service is exactly the capability to have meetings online. Actually we had a meeting last year of auditor generals of African countries, who did not meet physically, they met virtually through the UNPAN. So we hope that this will be a way to facilitate ongoing exchange because this way you can meet more often and with minimum cost in return.

METZLER: But what level does this really kick in to use the phrase – If you are the Minister of whatever in a major country, the ministry in the capital city approaches you or can local government approach you or provincial government approach you, how would that work? Must I go through one channel or?

BERTUCCI: No, it is very open, anyone can access the information, anyone can ask for advisory services, it is a very flexible tool, there is no bureaucracy involved.

METZLER: And do they pay for the service?

BERTUCCI: Developing countries don't. They do not, and everything is provided by the UN, and actually we were very glad to have associated within this network a number of institutions in developed countries in the US, Canada, Europe, Australia, New Zealand, who have been willing to offer some of their data, some of their products, some of their training materials for free, to be made available to the developing countries officials.

LITTLEJOHNS: Mr. Bertucci, shortly before the break you spoke about ethics, ethical standards, and of course there has been a lot of discussion notably in the United States of late, about corruption and the terrible things that people have done in business and in government, if it comes to that. What can the UN do to improve ethical standards? Certainly the developing countries have been criticized for corrupt practices, have no monopoly of corruption as we have just seen. What can the UN do?

BERTUCCI: Well, we have various areas of intervention. First of all is to help governments to create the legislative framework, which is very important: the necessary legislation. One example, for example we work together with the African ministers of public administration to draw up a charter of the public service of Africa, which include a code of conduct of public officials. And the African – we provide the technical support but then ultimately the ministers themselves adopt it, and this is a model legislation which is utilized, can be utilised by the individual countries to promulgate laws in this respect, so that is the first area. The second area is to assist them in creating the necessary institutions whether they are ethic boards, whether they are anti-corruption commissions, etc. And we have done this in a number of countries, and third is to provide what we call training materials. And I mentioned just before the city that we have on ethics, we have worked with the government of the city of Seoul in Korea, South Korea to somehow produce a manual for the management of city in a transparent and ethical manner. It is all based on Internet, so for example, in Seoul now every single action, which is carried out in the city government, is opened to the public. You go to the Internet and you know who got the contract for the busses, who got the contract for the sanitation, etc. And the process also...

LITTLEJOHNS: And who put the bribes in their pocket?

BERTUCCI: Well, ultimately this should show it up. So we have prepared manuals and we hope that this will help. Obviously these things don't happen overnight but

the moment you utilize tools like the Internet to open up government, the potential for improvement is there.

LITTLEJOHNS: Can you give us an example of a country where you've made a difference?

BERTUCCI: Yes, to count – well, let's say Brazil. Brazil as you know was grappling with what we call perception of very high corruption. We were called by the Chairman of the Ethics Commission to help the country to develop a strategy to fight corruption. So we organized what we called policy dialogues in which we put together government officials, press, parliament, political parties, unions, private sector, and during three, four days of work on a certain agenda, we came out with a white paper which was sent then to the President of Brazil and he used that as a basis, which almost like a consensus basis on which to base his legislation under corruption legislation.

DEEN: In your experience with developing nations, can you single out any particular country or countries, which has a super-efficient administrative system, because I heard of countries like Singapore and Malaysia, which are supposed to be exceptionally this?

BERTUCCI: Yes, absolutely. We definitely look at countries like Singapore and Malaysia, which are among the developing countries which have made tremendous strides. I mean we are using some of their examples in this country as models for under-developing countries to show that you can even in developing countries. In Brazil also, in Brazil in the State of Baia, tremendous improvements have been made, which are really typical and very useful for under developing countries, they have supermarket of the government. You go to the big shopping mall together with all these big stores, you have a government office, major government office where you can obtain passport, driver's licence, health certificate, everything in a matter of couple of hours. You go shopping, when you come back, you have your passport. Everything is computerized, nice, neat, clean, no need to wait – I mean this is in the developing countries.

LITTLEJOHNS: ...Sounds as if the United States could take (laughter)...

METZLER: Within the context of my colleague's question, do you have a section in UNPAN for lessons learned? In other words, the bad examples, the good examples and how not to make the mistakes yet again somewhere else?

BERTUCCI: So far we have a so-called good lesson learned, but I think it is a very good idea. We have been thinking of it, the bad lessons, because that's very important. That is very important because the bad lessons, the good lessons are those, which have

remained, which have been successful. But the bad lessons are important to warn people not to go in a certain direction. So, I take very good view of your suggestion to go along that way.

LITTLEJOHNS: Do governments come to you and ask for your advice or do you volunteer it? I mean what is the give-and -take?

BERTUCCI: Well, we are volunteers in the sense that we have this portal which now is visited 500 thousand times a month; we have 500 thousands visits on the portal, so...

LITTLEJOHNS: Is it in all the official languages?

BERTUCCI: It is mainly in English, but obviously since we are connected with all the regional organizations, we have original documentation in French, Arabic, Chinese, Spanish, Russian, etc. So the countries, which are relating to these languages, can...

LITTLEJOHNS: And you have half a million visit a month?

BERTUCCI: Correct.

LITTLEJOHNS: Very good.

BERTUCCI: And we have a search engine, so if you are interested in for example on VIT tax, taxation, you type and then you will immediately receive a list of the website or the databases of the documentation or publication on that topic. So this is our offering, but then all this generates demand. So for example, I can mention very openly the President himself of Peru.

LITTLEJOHNS: What is the address of your site?

BERTUCCI: It is www.unpan.com. You have less than a minute left.

DEEN: You talk about South-South cooperation. How does it work? Do developing countries exchange information?

BERTUCCI: Absolutely. And after that, we organize visits. For example we organize for the Baia in Brazil a visit of number officials from developing countries, they can see how this system works, they are briefed on the details and then, if necessary they can get experts from that country to go to their own country to help set up the new system.

LITTLEJOHNS: And repeat the address.

BERTUCCI: www.unpan.com

LITTLEJOHNS: I hope people will pay attention. Thank you. Mr. Bertucci, that's all the time we have. Thank you for being with us on this edition of **World Chronicle**. Our guest has been Guido Bertucci, Director of the Division for Public Economics and Public Administration at the United Nations Department of Economic and Social Affairs. He was

interviewed by Thalif Deen of *interPress Service* and John Metzler of *USA Radio Network*. I'm Michael Littlejohns. Thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

ANNOUNCER: Transcripts of the programme may be obtained free of charge by sending a stamped, self-addressed envelope to **World Chronicle**, United Nations, Room S-827L, New York, N.Y., 10017.

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